

106TH CONGRESS
2D SESSION

H. R. 5004

To amend the Internal Revenue Code of 1986 to allow credit against income tax for information technology training expenses, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 27, 2000

Mr. WELLER (for himself, Mr. MORAN of Virginia, Mr. COX, Mr. TAUZIN, Mr. DAVIS of Virginia, Mr. SALMON, Mr. SMITH of Washington, Mrs. TAUSCHER, and Mr. DREIER) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to allow credit against income tax for information technology training expenses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Technology Education
5 and Training Act of 2000”.

1 **SEC. 2. CREDIT FOR INFORMATION TECHNOLOGY TRAIN-**
2 **ING PROGRAM EXPENSES.**

3 (a) IN GENERAL.—Subpart B of part IV of sub-
4 chapter A of chapter 1 of the Internal Revenue Code of
5 1986 is amended by adding at the end the following:

6 **“SEC. 30B. INFORMATION TECHNOLOGY TRAINING PRO-**
7 **GRAM EXPENSES.**

8 “(a) GENERAL RULE.—There shall be allowed as a
9 credit against the tax imposed by this chapter an amount
10 equal to 100 percent of information technology training
11 program expenses paid or incurred by the taxpayer during
12 the taxable year.

13 “(b) LIMITATION.—

14 “(1) IN GENERAL.—The amount of information
15 technology training program expenses with respect
16 to an individual which may be taken into account
17 under subsection (a) for the taxable year shall not
18 exceed \$1,500.

19 “(2) LARGER CREDIT FOR PARTICIPATION IN
20 CERTAIN PROGRAMS.—The dollar amount in para-
21 graph (1) shall be increased (but not above \$2,000)
22 by the amount information technology training pro-
23 gram expenses paid or incurred by the taxpayer with
24 respect to a program operated—

1 “(A) in an empowerment zone or enter-
2 prise community designated under part I of
3 subchapter U,

4 “(B) in a school district in which at least
5 50 percent of the students attending schools in
6 such district are eligible for free or reduced-cost
7 lunches under the school lunch program estab-
8 lished under the National School Lunch Act,

9 “(C) in an area designated as a disaster
10 area by the Secretary of Agriculture or by the
11 President under the Disaster Relief and Emer-
12 gency Assistance Act in the taxable year or the
13 4 preceding taxable years,

14 “(D) in a rural enterprise community des-
15 ignated under section 766 of the Agriculture,
16 Rural Development, Food and Drug Adminis-
17 tration, and Related Agencies Appropriations
18 Act, 1999,

19 “(E) in an area designated by the Sec-
20 retary of Agriculture as a Rural Economic Area
21 Partnership Zone, or

22 “(F) by an employer who has 200 or fewer
23 employees for each working day in each of 20
24 or more calendar weeks in the current or pre-
25 ceding calendar year.

1 “(3) LIMITATION ON EMPLOYEES.—In the case
 2 of an employee, the limitation under this subsection
 3 for any taxable year shall be reduced by the credit
 4 determined under this section for expenses with re-
 5 spect to such employee paid or incurred by such em-
 6 ployee’s employer during the taxable year of the em-
 7 ployer ending with or within the employee’s taxable
 8 year.

9 “(c) INFORMATION TECHNOLOGY TRAINING PRO-
 10 GRAM EXPENSES.—For purposes of this section—

11 “(1) IN GENERAL.—The term ‘information
 12 technology training program expenses’ means ex-
 13 penses incurred by reason of the participation of the
 14 taxpayer (or any employee of the taxpayer) in any
 15 information technology training program if such ex-
 16 penses lead to an industry-accepted IT Training
 17 Certification for the participant. Such term includes
 18 expenses paid for certification testing which is essen-
 19 tial to assessing skill acquisition.

20 “(2) INFORMATION TECHNOLOGY TRAINING
 21 PROGRAM.—The term ‘information technology train-
 22 ing program’ means a program for recognized infor-
 23 mation technology certifications—

24 “(A) by any information technology trade
 25 association or corporation, and

1 “(B) involving—

2 “(i) employers, and

3 “(ii) State training programs, school
4 districts, university systems, higher edu-
5 cation institutions (as defined in section
6 101(b) of the Higher Education Act of
7 1965), or approved commercial information
8 technology training providers.

9 “(3) APPROVED COMMERCIAL INFORMATION
10 TECHNOLOGY TRAINING PROVIDERS.—The term ‘ap-
11 proved commercial information technology training
12 providers’ means a private sector provider of edu-
13 cational products and services utilized for training in
14 information technology which is approved with re-
15 spect to—

16 “(A) the curriculum that is used for the
17 training, or

18 “(B) the technical knowledge of the in-
19 structors of such provider,

20 by the information technology association sponsoring
21 such certifications or by 1 or more software pub-
22 lishers or hardware manufacturers the products of
23 which are a subject of the training.

24 “(e) DENIAL OF DOUBLE BENEFIT.—No deduction
25 or credit under any other provision of this chapter shall

1 be allowed with respect to information technology training
 2 program expenses (determined without regard to the limi-
 3 tation under subsection (c)).

4 “(f) ALLOCATIONS.—For purposes of this section,
 5 rules similar to the rules of section 41(f)(2) shall apply.”

6 (b) CLERICAL AMENDMENT.—The table of sections
 7 for subpart B of part IV of subchapter A of chapter 1
 8 of the Internal Revenue Code of 1986 is amended by add-
 9 ing at the end the following:

“Sec. 30B. Information technology training program expenses.”

10 (c) EFFECTIVE DATE.—The amendments made by
 11 this section shall apply to amounts paid or incurred after
 12 the date of enactment of this Act in taxable years ending
 13 after such date.

14 (d) CERTIFICATIONS.—The National Science Foun-
 15 dation shall establish an advisory group (to be known as
 16 the “Information Technology Training Certification
 17 Board”) composed of information technology certification
 18 and training associations and companies to develop a list
 19 of the latest industry certifications that will qualify for
 20 the credit under section 30B of the Internal Revenue Code
 21 of 1986. The Information Technology Training Certifi-
 22 cation Board shall be chaired by an information tech-
 23 nology industry trade association and composed of not
 24 more than 15 members. Such Board shall meet at least
 25 annually and shall submit its annual recommended list of

- 1 such certifications to the National Science Foundation not
- 2 later than October 1 of each calendar year.

